wherein

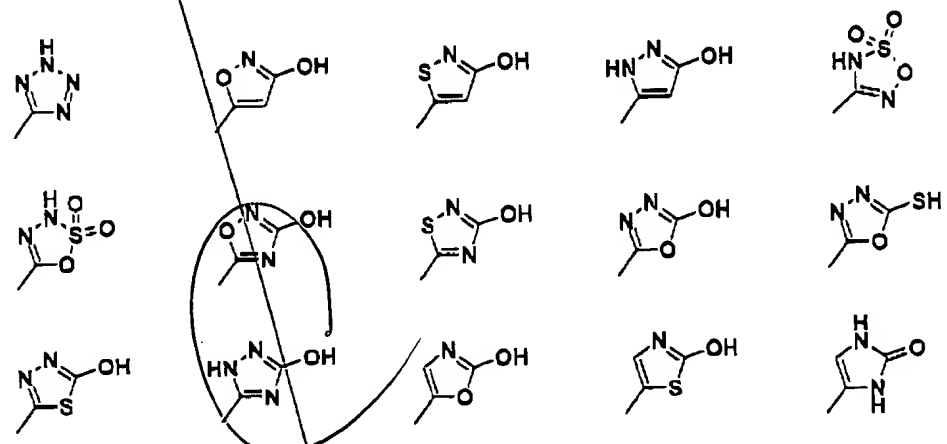
n is 0, 1 or 2;

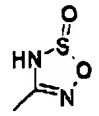
m is 1 or 2;

X is S or O;

Y is O, S, SO or SO_2;

R_1 is selected from the group consisting of hydrogen, 5-membered heterocycles selected from the group consisting of:





COOH, $COOC_1$-C_6alkyl, $COOarylC_1$-C_6alkyl, $COOC_1$-C_6alkylcarbonyloxyC_1-C_6alkyl and $COOC_1$-C_6alkylcarbonyloxyarylC_1-C_6alkyl;

R_2 is hydrogen, C_1-C_6alkyl, hydroxy or NR_7R_8;

R_3 is hydrogen, C_1-C_6alkyl, arylC_1-C_6alkyl, C_1-C_6alkylcarbonyloxyC_1-C_6alkyl or C_1-C_6alkylcarbonyloxyarylC_1-C_6alkyl;

R_4, R_5 and R_6 are independently hydrogen, trihalomethyl, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, hydroxy, oxo, carboxy, carboxyC_1-C_6alkyl, C_1-C_6alkyloxy-carbonyl, aryloxycarbonyl, arylC_1-C_6alkyloxycarbonyl, C_1-C_6alkyloxy, C_1-C_6alkyloxyC_1-C_6alkyl, aryloxy, arylC_1-C_6alkyloxy, aryloxyC_1-C_6alkyl, arylC_1-C_6alkyloxyC_1-C_6-alkyl, thio, C_1-C_6alkylthio, C_1-C_6alkylthioC_1-C_6alkyl, arylthio, arylC_1-C_6alkyl-thio, arylC_1-C_6alkylthioC_1-C_6alkyl, NR_8R_9, C_1-C_6alkylaminoC_1-C_6alkyl, aryl-C_1-C_6alkylaminoC_1-C_6alkyl, di(arylC_1-C_6alkyl)aminoC_1-C_6alkyl, C_1-C_6alkyl-carbonyl, C_1-C_6alkylcarbonylC_1-C_6alkyl, arylC_1-C_6alkylcarbonyl, arylC_1-C_6-alkylcarbonylC_1-C_6alkyl, C_1-C_6alkylcarboxy, C_1-C_6alkylcarboxyC_1-C_6alkyl, arylcarboxy, arylcarboxyC_1-C_6alkyl, arylC_1-C_6alkylcarboxy, arylC_1-C_6alkyl-carboxyC_1-C_6alkyl, C_1-C_6alkylcarbonylamino, C_1-C_6alkylcarbonylaminoC_1-C_6alkyl, -carbonylNR_8C_1-C_6alkylCOR_{11}, aryl$C1$-C_6alkylcarbonylamino, arylC_1-C_6alkylcarbonylaminoC_1-C_6alkyl, $CONR_7R_8$, C_1-C_6alkyl$CONR_7R_8$ or arylaminocarbonylaminoC_1-C_6alkyl; wherein the alkyl and aryl groups are optionally substituted as defined below and R_1 is NR_7R_8, or C_1-C_6alkylNR_7R_8;

R_7 and R_8 are independently selected from hydrogen, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, C_1-C_6alkylcarbonyl, arylcarbonyl, arylC_1-C_6alkylcarbonyl, C_1-C_6alkyl-carboxy or arylC_1-C_6alkylcarboxy wherein the alkyl and aryl groups are optionally substituted as defined in the section of definitions; or R_7 and R_8 together with the nitrogen to which they are attached form a saturated, partially saturated or aromatic monocyclic, bicyclic or tricyclic ring system containing from 3 to 14 carbon atoms and from 0 to 3 additional heteroatoms selected from nitrogen, oxygen or sulphur, the ring system can optionally be substituted with at least one C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, hydroxy, oxo, C_1-C_6alkyloxy, arylC_1-C_6alkyloxy, C_1-C_6-alkyloxyC_1-C_6alkyl, C_1-C_6alkylamino-C_1-C_6alkyl or NR_9R_{10}, wherein R_9 and R_{10} are independently selected from hydrogen, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, C_1-C_6alkylcarbonyl, arylcarbonyl, arylC_1-C_6alkylcarbonyl, C_1-C_6-alkylcarboxy or arylC_1-C_6alkylcarboxy; wherein the alkyl and aryl groups are optionally substituted as defined below; or
R_7 and R_8 are independently a saturated or partial saturated cyclic 5, 6 or 7 membered amine, imide or lactam;
wherein the optionally substituted alkyl groups are substituted with one or more groups independently selected from halo, cyano, nitro, trihalomethyl, carbamoyl, hydroxy, oxo,

$COOR_3$, $CONR_7R_8$, C_1-C_6alkyl, C_1-C_6alkyloxy, aryloxy, arylC_1-C_6alkyloxy, thio, C_1-C_6alkylthio, arylthio, arylC_1-C_6alkylthio, NR_7R_8, C_1-C_6alkylamino, arylamino, arylC_1-C_6alkylamino, di(arylC_1-C_6alkyl)amino, C_1-C_6alkylcarbonyl, arylC_1-C_6-alkylcarbonyl, C_1-C_6alkyl-carboxy, arylcarboxy, arylC_1-C_6alkylcarboxy, C_1-C_6alkylcarbonyl-amino, -C_1-C_6alkylaminoCOR$_{12}$, arylC_1-C_6alkylcarbonylamino, tetrahydrofuranyl, morpholinyl, piperazinyl, -$CONR_7R_8$, -C_1-C_6alkyl$CONR_7R_8$, or a saturated or partial saturated cyclic 5, 6 or 7 membered amine, imide or lactam, wherein R_{12} is
C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, C_1-C_6alkyloxy, aryloxy, arylC_1-C_6alkyloxy;
and wherein the optionally substituted aryl group is substituted with a group selected from halo, nitro, cyano, trihalomethyl, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, hydroxy, $COOR_3$, $CONR_7R_8$, C_1-C_6alkyloxy, C_1-C_6alkyloxyC_1-C_6alkyl, aryloxy, arylC_1-C_6alkyloxy, arylC_1-C_6alkyloxyC_1-C_6alkyl, thio, C_1-C_6alkylthio, C_1-C_6alkylthioC_1-C_6alkyl, arylthio, arylC_1-C_6alkylthio, arylC_1-C_6alkylthioC_1-C_6alkyl, NR_7R_8, C_1-C_6-alkylamino, C_1-C_6alkylaminoC_1-C_6alkyl, arylamino, arylC_1-C_6alkylamino, arylC_1-C_6alkyl-aminoC_1-C_6alkyl, di(arylC_1-C_6alkyl)aminoC_1-C_6alkyl, C_1-C_6alkylcarbonyl, C_1-C_6alkylcarbonylC_1-C_6alkyl, arylC_1-C_6alkylcarbonyl, arylC_1-C_6alkyl-carbonylC_1-C_6alkyl, C_1-C_6alkylcarboxy, C_1-C_6alkylcarboxyC_1-C_6alkyl, arylC_1-C_6alkylcarboxy, arylC_1-C_6alkylcarboxyC_1-C_6alkyl, carboxyC_1-C_6-alkyloxy, C_1-C_6alkylcarbonylamino, C_1-C_6alkylcarbonylaminoC_1-C_6alkyl, -carbonylNR_7C_1-C_6alkylCOR_{11}, arylC_1-C_6alkylcarbonylamino, arylC_1-C_6-alkylcarbonylaminoC_1-C_6alkyl, -$CONR_7R_8$, or -C_1-C_6alkyl$CONR_7R_8$;

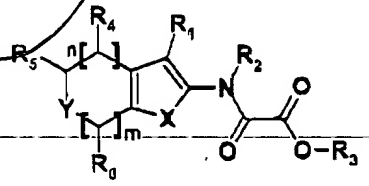
with the proviso that when R_1 is COOH, R_2, R_3, R_4, R_5, and R_6 are H, n and m are 1, and X is S, then Y is not O, S, SO or SO_2;
when R_2, R_3, R_4, R_5, and R_6 are H, n and m are 1, X is S, and Y is O, then R_1 is not 5-tetrazol;
when R_1 is COOH, R_2, R_4, R_5, and R_6 are H, n and m are 1, X is S, and Y is O, then R_3 is not 5-tetrazol;
when R_1 is COOH, R_2, R_3, R_4, and R_6 are H, n and m is 1, X is S and Y is O, then R_5 is not 1-oxo-1,3-dihydro-isoindol-2-yl methyl, 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, ((4-oxo-chromene-4H-3-carbonyl)amino)methyl, 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, ((4-oxo-

chromene-4H-3-carbonyl)amino)methyl, ((4-oxo-chromene-4H-2-carbonyl)amino)methyl, (3-furan-3-yl-acryloylomino)methyl, (3-furan-2-yl-acryloylamino)-methyl, ((3-oxo-indane-1-carbonyl)amino)methyl, 2,4-dioxo-thiazolidin-3-ylmethyl, 3,5-dimethoxy-benzoylamino-methyl, 5,6-dichloro-1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, 1,3-dioxo-1,3,4,5,6,7-hexahydro-isoindol-2-ylmethyl, 1,1,3-trioxo-1,3-dihydro-1H-benzo[d]isothiazol-2-ylmethyl, (4-methoxy-benzenesulfonylamino)-methyl, 2-methyl-4-oxo-4H-quinazolin-3-ylmethyl, or 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl;

when R_1 is COOH, R_2, R_3, R_4, and R_5 are H, n and m are 1, X is S, and Y is O, then R_6 is not 1,3,-dioxo-1,3-dihydro-isoindol-2-ylmethyl or acetylamino-methyl;

or a salt thereof with a pharmaceutically acceptable acid or base, or any optical isomer or mixture of optical isomers, a racemic mixture, or any tautomeric form, or prodrug thereof.

2. (Amended) A compound of Formula 1



Formula 1

wherein

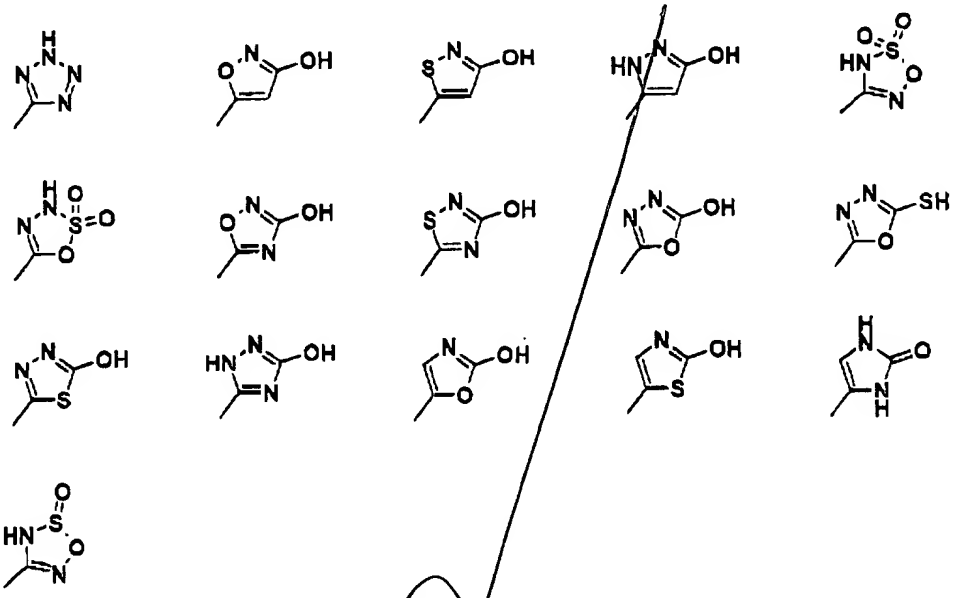
n is 0, 1 or 2;

m is 1 or 2;

X is S or O;

Y is O, S, SO or SO_2;

R_1 is selected from the group consisting of hydrogen, 5-membered heterocycles selected from the group consisting of:



COOH, $COOC_1$-C_6alkyl, $COOarylC_1$-C_6alkyl, $COOC_1$-C_6alkylcarbonyloxyC_1-C_6alkyl and $COOC_1$-C_6alkylcarbonyloxy$arylC_1$-C_6alkyl;

R_2 is hydrogen, C_1-C_6alkyl, hydroxy or NR_7R_8;

R_3 is hydrogen, C_1-C_6alkyl, $arylC_1$-C_6alkyl, C_1-C_6alkylcarbonyloxyC_1-C_6alkyl or C_1-C_6alkylcarbonyloxy$arylC_1$-C_6alkyl;

R_4, R_5 and R_6 are independently hydrogen, trihalomethyl, C_1-C_6alkyl, aryl, $arylC_1$-C_6alkyl, hydroxy, oxo, carboxy, carboxyC_1-C_6alkyl, C_1-C_6alkyloxy-carbonyl, aryloxycarbonyl, $arylC_1$-C_6alkyloxycarbonyl, C_1-C_6alkyloxy, C_1-C_6alkyloxyC_1-C_6alkyl, aryloxy, $arylC_1$-C_6alkyloxy, $arylC_1$-C_6alkyloxyC_1-C_6-alkyl, thio, C_1-C_6alkyl-thio, C_1-C_6alkylthioC_1-C_6alkyl, arylthio, $arylC_1$-C_6alkyl-thio, $arylC_1$-C_6alkylthioC_1-C_6alkyl, NR_7R_8, C_1-C_6alkylaminoC_1-C_6alkyl, aryl-C_1-C_6alkylaminoC_1-C_6alkyl, di($arylC_1$-C_6alkyl)aminoC_1-C_6alkyl, C_1-C_6alkyl-carbonyl, C_1-C_6alkylcarbonylC_1-C_6alkyl, $arylC_1$-C_6alkylcarbonyl, $arylC_1$-C_6-alkylcarbonylC_1-C_6alkyl, C_1-C_6alkyl-carboxy, C_1-C_6alkylcarboxyC_1-C_6alkyl, arylcarboxy, arylcarboxyC_1-C_6alkyl, $arylC_1$-C_6alkylcarboxy, $arylC_1$-C_6alkyl-carboxyC_1-C_6alkyl, C_1-C_6alkylcarbonylamino, C_1-C_6alkylcarbonyl-aminoC_1-C_6alkyl, -carbonylNR_8C_1-C_6alkylCOR_{11}, $arylC_1$-C_6alkyl-carbonyl-

amino, arylC_1-C_6alkylcarbonylaminoC_1-C_6alkyl, $CONR_7R_8$, or C_1-C_6alkyl-$CONR_7R_8$ wherein the alkyl and aryl groups are optionally substituted and R_{11} is NR_7R_8, or C_1-C_6alkylNR_7R_8;

R_7 and R_8 are independently selected from hydrogen, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, C_1-C_6alkylcarbonyl, arylcarbonyl, arylC_1-C_6alkylcarbonyl, C_1-C_6alkylcarboxy or arylC_1-C_6alkylcarboxy wherein the alkyl and aryl groups are optionally substituted; or
R_7 and R_8 together with the nitrogen to which they are attached form a saturated, partially saturated or aromatic cyclic, bicyclic or tricyclic ring system containing from 3 to 14 carbon atoms and from 0 to 3 additional heteroatoms selected from nitrogen, oxygen or sulphur, the ring system can optionally be substituted with at least one C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, hydroxy, oxo, C_1-C_6alkyloxy, arylC_1-C_6alkyloxy, C_1-C_6-alkyloxyC_1-C_6alkyl, C_1-C_6alkylamino-C_1-C_6alkyl or NR_9R_{10}, wherein R_9 and R_{10} are independently selected from hydrogen, C_1-C_6alkyl, aryl, arylC_1-C_6alkyl, C_1-C_6alkylcarbonyl, arylcarbonyl, arylC_1-C_6alkylcarbonyl, C_1-C_6-alkylcarboxy or arylC_1-C_6alkylcarboxy; wherein the alkyl and aryl groups are optionally substituted; or
R_7 and R_8 are independently a saturated or partial saturated cyclic 5, 6 or 7 membered amine, imide or lactam;

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with the proviso that when R_1 is COOH, R_2, R_3, R_4, R_5, and R_6 are H, n and m are 1, and X is S, then Y is not O, S, SO or SO_2;
when R_2, R_3, R_4, R_5, and R_6 are H, n and m are 1, X is S, and Y is O, then R_1 is not 5-tetrazol;
when R_1 is COOH, R_2, R_4, R_5, and R_6 are H, n and m are 1, X is S, and Y is O, then R_3 is not 5-tetrazol;
when R_1 is COOH, R_2, R_3, R_4, and R_6 are H, n and m are 1, X is S and Y is O, then R_5 is not 1-oxo-1,3-dihydro-isoindol-2-yl methyl, 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, ((4-oxo-chromene-4H-3-carbonyl)amino)methyl, 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, ((4-oxo-chromene-4H-3-carbonyl)amino)methyl, ((4-oxo-chromene-4H-2-carbonyl)amino)methyl, (3-furan-3-yl-acryloylomino)methyl, (3-furan-2-yl-acryloylamino)-methyl, ((3-oxo-indane-1-carbonyl)amino)methyl, 2,4-dioxo-thiazolidin-3-ylmethyl, 3,5-dimethoxy-benzoylamino-

methyl, 5,6-dichloro-1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl, 1,3-dioxo-1,3,4,5,6,7-hexahydro-isoindol-2-ylmethyl, 1,1,3-trioxo-1,3-dihydro-1H-benzo[d]isothiazol-2-ylmethyl, (4-methoxy-benzenesulfonylamino)-methyl, 2-methyl-4-oxo-4H-quinazolin-3-ylmethyl, or 1,3-dioxo-1,3-dihydro-isoindol-2-ylmethyl;

when R_1 is COOH, R_2, R_3, R_4, and R_5 are H, n and m are 1, X is S, and Y is O, then R_6 is not 1,3,-dioxo-1,3-dihydro-isoindol-2-ylmethyl or acetylamino-methyl;

or a salt thereof with a pharmaceutically acceptable acid or base, or any optical isomer or mixture of optical isomers, a racemic mixture, or any tautomeric form.

91. (Amended) A composition comprising an effective amount of a compound of claim 1 together with one or more pharmaceutically acceptable carriers or diluents and an insulin sensitizer.

93. (Amended) A method of treating type I diabetes, type II diabetes, impaired glucose tolerance, insulin resistance or obesity comprising administering to a subject in need thereof an effective amount of a compound of claim 1 and an insulin sensitizer to said subject.

94. (Amended) A composition comprising an effective amount of a compound of claim 1 together with one or more pharmaceutically acceptable carriers or diluents and an agent stimulating insulin release from β cells.

96. (Amended) A method of treating type I diabetes, type II diabetes, impaired glucose tolerance, insulin resistance or obesity comprising administering to a subject in need thereof an effective amount of a compound according to claim 1 and an agent stimulating insulin release from β cells.

97. (Amended) A composition comprising a compound of claim 1 together with one or more pharmaceutically acceptable carriers or diluents and an antiobesity agent.

99. (Amended) A method of treating type I diabetes, type II diabetes, impaired glucose tolerance, insulin resistance or obesity comprising administering to a subject in need thereof an effective amount of a compound of claim 1 and an antiobesity agent.

Please add the following new claims:

100. (new) A composition according to claim 91, wherein the insulin sensitizer is a thiazolidinedione or a pharmaceutically acceptable salt thereof.

101. (new) A pharmaceutical composition according to claim 91, wherein the insulin senitizer is selected from troglitazone, ciglitazone, pioglitazone, rosiglitazone, 5-[[4-[3-Methyl-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy]phenyl-methyl]thiazolidine-2,4-dione and 3-[4-[2-Phenoxazin-10-yl)ethoxy]phenyl]-2-ethoxypropanoic acid or a pharmaceutically acceptable salts thereof.

102. (new) A composition according to claim 91, wherein the insulin sensitizer is (-) 3-[4-[2-Phenoxazin-10-yl)ethoxy]phenyl]-2-ethoxypropanoic acid or a pharmaceutically acceptable salts thereof.

103. (new) The method according to claim 93, wherein the insulin sensitizer is a thiazolidinedione or (-) 3-[4-[2-Phenoxazin-10-yl)ethoxy]phenyl]-2-ethoxypropanoic acid or a pharmaceutically acceptable salt thereof.

104. (new) The method according to claim 93, wherein the insulin sensitizer is selected from troglitazone, ciglitazone, pioglitazone, rosiglitazone, 5-[[4-[3-Methyl-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy]phenyl-methyl]thiazolidine-2,4-dione or (-) 3-[4-[2-Phenoxazin-10-yl)ethoxy]phenyl]-2-ethoxypropanoic acid or a pharmaceutically acceptable salt thereof.

105. (new) The method according to claim 93, wherein the insulin sensitizer is (-) 3-[4-[2-Phenoxazin-10-yl)ethoxy]phenyl]-2-ethoxypropanoic acid or a pharmaceutically acceptable salt thereof.